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Selected Speeches and News Releases

August 4 - August 11, 1988

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News Releases

U.S. Department of Agriculture • Office of Information

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Aug. 4—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Aug. 5, through 12:00 midnight Thursday, Aug. 11.

Since the adjusted world price (AWP) is less than the 1988-crop base quality loan rate of 51.80 cents per pound, the loan repayment rate for 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates. No coarse count adjustment will be applicable during the period because the adjustment is less than 1.00 cent per pound.

Based on data for the week ending Aug. 4, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price

 Northern Europe Price 60.22

 Adjustments:

 Average U.S. spot market location 9.53

 SLM 1-1/16 inch cotton 2.00

 Average U.S. location42

 Sum of Adjustments -11.95

 ADJUSTED WORLD PRICE 48.27 cents/lb.

Coarse Count Adjustment

 Northern Europe Price 60.22

 Northern Europe Coarse Count Price -55.40

 4.82

 Adjustment to SLM 1-inch cotton -5.65

 -0.83

 COARSE COUNT ADJUSTMENT 0 cents/lb.

The next AWP and coarse count adjustment announcement will be made Aug. 11.

Charles Cunningham (202) 447-7954

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“RECONNECTING RURAL AMERICA” IS THEME OF OMAHA TRANSPORTATION CONFERENCE

WASHINGTON, Aug. 5—Development of a plan to “reconnect rural America” will highlight a national conference on rural intercity passenger transportation in Omaha, Neb., Aug. 22-24.

Martin “Buzz” Fitzpatrick Jr., administrator of the U.S. Department of Agriculture’s Office of Transportation, said the conference will bring together various organizations, government agencies and private concerns to resolve rural mobility needs.

“Too often, if you live in a rural community, the bus may no longer come to town,” Fitzpatrick said. “Nor may rail or air service be available. Many rural communities are now truly at the ‘end of the line,’ with limited access to any form of public transportation.”

OT, the U.S. Department of Transportation’s Urban Mass Transportation Administration and the United Bus Owners of America are

sponsoring the conference, which culminates a year-long effort to address rural transportation problems.

Fitzpatrick said that UMTA has focused new attention and resources on rural transportation through its Suburban Mobility Initiative, which will be detailed at the conference.

Rep. Virginia Smith of Nebraska will present the keynote address at 9 a.m. on Aug. 23; Senator Larry Pressler of South Dakota will deliver the wrapup presentation at a dinner on Aug. 24. Other speakers include Nebraska Governor Kay Orr, Hal Manders, chairman of the secretary of agriculture's National Advisory Council on Rural Development, Roland Vautour, USDA undersecretary for small community and rural development, and Alfred DelliBovi, UMTA administrator.

Three regional symposiums—in Des Moines, Iowa, Annapolis, Md., and San Francisco, Calif.—were held this past year to help identify issues and gather information from users and providers of rural transportation throughout the country.

“We've learned that while service to rural communities indeed has been lost in many cases,” Fitzpatrick said, “there are a variety of ways rural transportation needs can be met. For example, flexible point-to-point routes tailored to particular passenger needs are beginning to take the place of traditional, fixed route systems. Also, rural passenger needs sometimes can be dovetailed with the shipment of goods in sparsely populated areas.

“During the last year,” he continued, “a new effort has begun to reconnect rural America. We hope this national meeting will consolidate those efforts for the future.”

The Omaha conference will be held at the Red Lion Inn, 1616 Dodge St., starting at 6:30 p.m., Monday, Aug. 22, with registration and a reception and will close with dinner at 6:30 p.m. on Wednesday, Aug. 23.

Larry Mark (202) 447-3977

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MARYLAND AND WEST VIRGINIA ELIGIBLE FOR USDA EMERGENCY LOANS

WASHINGTON, Aug. 5—Secretary of Agriculture Richard E. Lyng today named the entire states of Maryland and West Virginia as eligible for Farmers Home Administration emergency loans because of crop losses caused by drought.

Farmers in all 23 counties in Maryland and all 55 counties in West Virginia have eight months in which to apply for the loans to help cover part of their actual losses. To be eligible, they must have multiperil or Federal Crop Insurance, if available, to offset crop losses. They also must be able to repay the loan and any other loans, be unable to get credit elsewhere, and have adequate security.

Maryland and West Virginia are the seventh and eighth entire states designated eligible for FmHA emergency loans due to the 1988 drought. The six named previously are Alabama, Indiana, Missouri, Ohio, Wisconsin and Delaware.

Marlyn Aycock (202) 447-4323

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USDA ANNOUNCES CHANGES IN COTTON PRICE QUOTATION PROCEDURES

WASHINGTON, Aug. 9—The U.S. Department of Agriculture today announced changes in procedures used to determine price quotations published for cotton sold in the eight "spot" markets USDA designates for determining raw cotton price quotations.

J. Patrick Boyle, administrator of USDA's Agricultural Marketing Service, said the changes will improve the efficiency of establishing price quotations for traded cotton. "One change will transfer responsibility for determining the published price quotations for the various cotton qualities to AMS's Cotton Division. Presently, quotations committees, composed of cotton buyers and traders, assist the division in determining price quotations," Boyle said.

Another change consolidates the eight spot markets into seven regional units, with geographic boundaries redefined and markets renamed. Names are to be by geographic area rather than city names. "With today's extensive use of telecommunications and electronic marketing in the

cotton industry, city limits no longer properly describe the extent of a cotton market," Boyle said. The new markets cover more territory, giving a larger source from which to gather trading prices over a given period in order to arrive at a representative and more accurate price quotation, he said.

USDA also will add "number of bales traded" to each price quotation published, enabling traders to gauge the significance of the quotation more precisely.

The changes were presented and endorsed at an April meeting of the Advisory Committee on Cotton Marketing, and were published as proposals for comment in the June 14 Federal Register. No comments were received.

The changes, effective Aug. 1, were published as a final rule in the Aug. 4 Federal Register. For further information, contact Garry L. Lewicki, USDA, AMS, Cotton Division, P.O. Box 96456, Rm. 2641-S, Washington, D.C. 20090.

Clarence Steinberg (202) 447-6179

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USDA AMENDS PORK ORDER

WASHINGTON, Aug. 9—The U.S. Department of Agriculture has amended the national Pork Promotion, Research, and Consumer Information Order to require dealers to collect assessments on breeding hogs they sell, effective Aug. 11.

J. Patrick Boyle, administrator of USDA's Agricultural Marketing Service, said the pork order previously required producers, not dealers or "marketing agencies," to remit assessments on such hogs. This amendment would standardize collection procedures, he said.

Other amendments modify requirements for annual financial reports from certain assessment-funded state pork producer associations, require current USDA data to verify the accuracy of nominations to the National Pork Producers Delegate Body, and clarify one of the National Pork Board's responsibilities for hiring staff. The board administers the order.

Established under the Pork Promotion, Research, and Consumer Information Act of 1985, the pork order became effective Sept. 5, 1986. Assessments to fund the programs—one quarter of one percent of the market value of all hogs sold in the United States, and an equivalent

amount on imported hogs, pork, and pork products—began Nov. 1, 1986. AMS monitors the order.

The changes will appear as a final rule in the Aug. 11 Federal Register. Copies and additional information may be obtained from Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch, Livestock and Seed Division, AMS, USDA, Rm. 2610-S, P.O. Box 96456, Washington, D.C. 20090-6456, telephone (202) 447-2650.

Clarence Steinberg (202) 447-6179

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Aug. 9—Acting Under Secretary of Agriculture William C. Bailey today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 10.85 cents per pound;
- medium grain whole kernels, 9.99 cents per pound;
- short grain whole kernels, 9.91 cents per pound;
- broken kernels, 5.42 cents per pound.

Minimum loan repayment rates for 1987-crop loans are the higher of the world price or 50 percent of the loan rate. For 1988-crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.52 per hundredweight;
- medium grain, \$6.22 per hundredweight;
- short grain, \$6.03 per hundredweight.

The prices announced are effective today at 3:00 P.M. EDT. The next scheduled price announcement will be made Aug. 16, 1988 at 3:00 P.M. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

Charles Hobbs (202) 447-4026

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USDA REQUESTS COMMENTS ON COMMODITY CREDIT CORPORATION LOAN EXTENSIONS

WASHINGTON, Aug. 10—Secretary of Agriculture Richard E. Lyng today requested comments through Aug. 23 to decide whether Commodity Credit Corporation loans should be extended for certain crop years.

Lyng also said comments are requested through Sept. 9 on how CCC decision-making activities are conducted.

Additional details are available in today's Federal Register. Comments should be sent to: Tom VonGarlem, Assistant Deputy Administrator for State and County Operations, ASCS/USDA, P.O. Box 2415 Washington, D.C. 20013.

Robert Feist (202) 447-6789

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